State Plan provisions. However, during the last 2 years of the 6th Plan i.e. 1983-84 and 1984-85, a scheme of Central incentive grants was introduced so as to boost the pace of implementation. During 1984-85, Rs. 64 lakhs and Rs. 159 lakhs were provided as Central incentive grants to Madhya Pradesh and Maharashtra, respectively.

(b) to (d) Allotment of funds under the Central incentive grant scheme during 1984-85 was made, *inter-alia* on the basis of the following:—

(i) Performance of the States/UTs during the first eight months of 1984-85;

(ii) Percentage of target realisation during the first four years of the Sixth Plan and the State Plan outlay under the EIUS during 1984-85;

(iii) Unutilised outlay of the Sixth Five Year Plan;

(iv) The extent of backlog of the target realisation of the Sixth Plan;

(v) The total identified slum population in the State/UT; and

(vi) The specific problems being faced in the implementation of this scheme in the hill State, namely Jammu & Kashmir, and the North Eastern States.

Dry land farming projects in MP

448. SHRI AJIT P. K. JOGI: Will the Minister of AGRICULTURE be pleased to state:

(a) Dry land farming projects which are being implemented in the State of Madhya Pradesh;

(b) whether any satisfactory achievement has been made so far, if so, the details thereof; and

(c) what are the other specific steps that Government propose to initiate to increase yields substantially in dry land farming?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZERS IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU): (a) Dryland Farming Projects both under State and Central Sectors are being implemented in the state of Madhya Pradesh. They are as follows:—

Earlier during the year 1973, an Indo-UK Operational Research Project was implemented under the aegis of the Indian Council of Agricultural Research and the State Agricultural University in 2700 hectares near Indore. Very recently (June, 1984) a World Bank funded Rainfed Farming Project has been taken up in Parua Nala which falls under Bhopal and Sehore Districts. The watershed has an area of 30,500 hectares spread over 57 villages. Concurrently the State Government has also taken up area development on watershed basis based on these earlier experiences.

(b) Yes, Sir. During 1986-87 as targetted the State has covered all the 603 Micro-Watersheds having an area of 9.72 lakh hectares.

(c) In order to supplement the efforts of the State Government, a Centrally Sponsored Scheme of National Watershed Development Programme for Rainfed Agriculture has been initiated from 1986-87 for the remaining period of the VII Plan.

Low efficiency of fertiliser units

449. SHRI D. B. CHANDRE GOWDA:

SHRI HARVENDRA SINGH HANSPAL:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that a number of fertilizer units are working at low efficiency because of ageing plants and obsolete technologies;

(b) if so, whether the low efficiency fertilizer units need overhauling; and

(c) the steps contemplated by Government to overhaul the fertilizer units and boost the production of fertilizers in the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZERS IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU): (a) Performance of certain fertilizer units has not been satisfactory, not only due to ageing of the plant and machinery and obsolete technology, but also on account of power problems.

(b) Yes, Sir.

(c) Schemes have been drawn up for revamping and modernising the units with a view to improve their operational efficiency. At the same time captive power plants, wherever considered necessary, have either been installed or are under installation to take care of the power problems. A major programme of setting up of additional fertilizer capacity is under way to augment the indigenous production of fertilizers.

New Sugar Policy

450. SHRI VITHALRAO MADHAVRAO JADHAV: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) what are the salient features of the new sugar policy;

(b) the number of proposals for opening of new Coop. Sugar factories received from Maharashtra are lying pending with the Ministry for issue of licences; and

(c) by when they are likely to be cleared?

THE MNISTER OF PARLIAMENTARY AFFAIRS AND THE MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT): (a) The salient features of the new sugar policy announced by the Government on 12th December, 1986, are indicated in the Statement attached. (*See* below).

(b) No application received in terms of the new guidelines for grant of Letter of Intent/Industrial Licence for establishment of new Cooperative sugar factory in the State of Maharashtra is pending before the Government (Department of Food) at present.

(c) Does not arise.

Statement

The salient features of New Sugar Policy Announced by Government on 12-12-1986

1. It has been decided to continue the practice of announcing the statutory minimum price of sugarcane in advance of the sowing season. The statutory minimum price of sugarcane payable by sugar factories during the next season 1987-88 has been announced at Rs. 1800 per quintal linked to 8.5 per cent recovery.

2. Consequent upon increase in the statutory minimum sugarcane price from Rs 16.50 to Rs. 17.00 per quintal linked to 8.5 per cent recovery for the season 1986-87 and marginal increase in the average ex-factory price, the retail issue price of levy sugar distributed through fair price shops/ration shops has been increased from Rs. 4.80 to Rs. 4.85 per Kg. with effect from 15-12-1986.

3. Having decided to continue the policy of partial control on sugar with a dual pricing mechanism for the current sugar season 1986-87, Government have decided to increase the free sale quota from the existing level of 45 per cent to 50 per cent.

4. It has been decided to revise the monthly levy sugar quotas of the States with reference to the estimated population as on 1-10-1986.

5. The guidelines to be followed for granting licences for establishment of new sugar factories and expansions in existing units during the 7th Plan Period are as under:—

(i) The sectoral priorities followed during the 6th Plan Period would be followed during the 7th Plan period also. First priority would be accorded for establishment of a new sugar factory in the cooperative sector followed by public sector. In areas where proposals from these two sectors are not received, proposal from private sector could be considered.